



Department of Justice

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INDIANAPOLIS COUPLE SENTENCED FOR BANKRUPTCY FRAUD

PRESS RELEASE

INDIANAPOLIS - Joseph H. Hogsett, United States Attorney, announced today that Christopher and Tiffany Welton, 38 and 35 respectively, Indianapolis, were each sentenced to 36 months probation today by U.S. District Judge Tanya Walton Pratt following their guilty plea to two counts of bankruptcy fraud. Six months of the probation will be served under house arrest. Judge Pratt also ordered the Weltons to serve 40 hours of community service for each of the three years they are on probation. This case was the result of a referral by the U.S. Trustee for Indiana and Central and Southern Illinois (Region 10) and a two year investigation by the Federal Bureau of Investigation and the Office of United States Trustee in coordination with the Southern Indiana Bankruptcy Fraud Working Group. Assistant U.S. Attorney Bradley P. Shepard prosecuted the case.

On April 27, 2007, Christopher Welton and Tiffany Welton filed Chapter 7 Bankruptcy. All the documents signed by the two attested that all answers were true and correct under penalty of perjury.

The Weltons concealed assets and made false declarations under by failing to disclose in their bankruptcy documents that they owned numerous pieces of jewelry with a combined value of \$17,400. Instead, the Weltons only listed they owned wedding rings owned by Tiffany Welton with a current value of \$1,000.00.

The Weltons made additional false statements under oath during their creditor meeting on June 19, 2007. During the meeting the Weltons falsely testified that they owned a lot of jewelry, but sold it, except for the previously disclosed diamond wedding ring.

On June 26, 2007, the Weltons, admitted that they had not disclosed all of their jewelry, including the following pieces:

Diamond Pendant - \$3,138
Jacob & Co. Diamond Watch - \$13,636
Rolex Watch - \$3,442
Diamond Ring - \$8,260
Platinum Three Diamond Ring - \$16,368
Platinum Diamond Tennis Bracelet - \$9,396

These six pieces of jewelry had a total appraised value of \$61,749. In addition, Tiffany Welton's wedding ring had an appraised value of \$28,613 (as opposed to the \$1,000 listed on the bankruptcy documents), for a total appraised value of \$90,362. The property was ultimately turned over to the Chapter 7 Trustee and sold at auction for 17,400 (\$15,551 after auctioneer's commission).

"Full and accurate disclosure of assets is a cornerstone of our nation's bankruptcy system," stated Nancy J. Gargula, United States Trustee for Indiana and the Central and Southern Districts of Illinois (Region 10). "We are grateful to U.S. Attorney Joseph Hogsett and the Southern Indiana Bankruptcy Fraud Working Group for their commitment to combating bankruptcy fraud and abuse, as demonstrated by this successful prosecution." The Bankruptcy Fraud Working Group includes representatives of the U.S. Attorney's Office for the Southern District of Indiana, U.S. Trustee's Office for Region 10, Federal Bureau of Investigation, Secret Service, U.S. Postal Inspection Service, Criminal Investigation Division of the Internal Revenue Service, Department of Health and Human Services, and Department of Housing and Urban Development, among others.

The U.S. Trustee Program is the component of the Justice Department that protects the integrity of the bankruptcy system by overseeing case administration and litigating to enforce the bankruptcy laws. Region 10 is headquartered in Indianapolis, with additional offices in South Bend and Peoria, Illinois.

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